



**POLICY ON PRIVATE
INVESTMENT
TRANSACTIONS**

(“PPIT”)

NIBC

DATE
August 2014



CONTENTS	PAGE
INTRODUCTION	4
1.1. General	4
1.2. Insiders and exemption	4
1.3. Principles	4
1.4. Amendments	5
2. GENERAL RULES OF CONDUCT	5
3. INSIDERS: HOW TO CONDUCT INVESTMENT TRANSACTIONS	7
3.1. General	7
3.2. Rules of conduct concerning investing for one's own account	7
3.3. Rules of conduct concerning third party discretionary management	8
3.4. Members of the Managing Board	8
3.5. Supervisory Board Members	9
4. RULES REGARDING SPECIFIC TYPES OF TRANSACTIONS	9
4.1. NIBC products and NIBC related products	9
4.1.1. Primary and secondary insiders	10
4.2. Hedge funds, private equity funds and other alternative assets	11
4.3. Derivatives	11
4.4. Transactions under NIBC Choice programme	12
5. OTHER PROVISIONS	12
5.1. Stop loss provisions	12
5.2. Investments received out of inheritance, donations and gifts by family etc.	12
5.3. Investigations related to adherence of the PPIT	13
5.4. Breaches and sanctions in relation to the PPIT	13
5.5. Exceptions	13
Appendix 1 Terms and definitions	14
Appendix 2 Insiders	17
Appendix 3 Restricted List / Grey List	18
Appendix 4 Investigations in relation to the adherence of the PPIT	20
Appendix 5 Breaches and sanctions in relation to the PPIT	21
Appendix 6 Temporary staff	22
Appendix 7 Frequently asked questions	23

Note to the Policy Private Investment Transactions: The text of this Policy contains a number of words and phrases printed in **bold**. This indicates that the word/phrase concerned is defined in more detail in Appendix 1.

SUMMARY

POLICY PRIVATE INVESTMENT TRANSACTIONS (“PPIT”)

To whom does it apply?	All staff members of NIBC including the international offices (including temporary employees as well as Supervisory Board members) when conducting private investment transactions.
What is the purpose?	Prevention (including any semblance) of investment transactions involving the misuse of inside information; preventing (or managing the existence of) conflicts of interest; and establishing transparency with regard to investments of staff members in listed funds and transactions involving NIBC products and NIBC-related products.
What is/are the principle(s)	<ul style="list-style-type: none">• Staff members must adhere to the rules of conduct when executing private investment transactions. It is not permitted to circumvent the PPIT via third parties (e.g. by encouraging or recommending another person to engage in a transaction);• Staff members are prohibited from disclosing inside information and other sensitive/ confidential information regarding NIBC or others without authorisation to third parties or other staff members and may use such information solely to perform their jobs appropriately;• For a period of 6 months after termination of their employment contract or discharge of their position, staff members must continue to act in accordance with the PPIT;• Any breach of this Policy is tantamount to a breach of terms and conditions of employment, and may lead to disciplinary action, including in more serious cases, criminal sanctions.
How to comply?	<ul style="list-style-type: none">• Notify any securities of brokerage account(s) you hold to NIBC;• Always check the pre-clearance tool before entering into any transaction;• Adhere to the minimum holding period of 30 calendar days; and• Send copies of all transaction notices to Compliance.
When to notify?	Only in circumstances where the staff member has a securities account or is entitled to a securities account (e.g. for his/her children or father/mother).

INTRODUCTION

1.1. General

Any staff member of **NIBC** intending to conduct a **private investment transaction** must first be familiar with the specific rules that apply. These rules are laid down in the underlying Policy on Private Investment Transactions (PPIT) which also describes how sensitive/ confidential information is handled. Based on this Policy, general and supplementary rules are in place applicable to all **staff members** (including temporary staff members as well as Supervisory Board members) of NIBC.

The PPIT deals with three issues:

- Prevention (including any semblance) of investment transactions involving misuse of **inside information**;
- Prevention or managing the existence of **conflicts of interest**; and
- Establishing transparency with regard to participation of staff members in listed funds and transactions in **NIBC products** and **NIBC related products**.

1.2. Insiders and exemption

Under the PPIT certain staff members of NIBC are **insiders**. Please refer to chapter 3, the definition in appendix 1 and appendix 2 for more detail on insiders. Insiders are obliged to:

- Notify their securities account to NIBC;
- Check the pre-clearance tool prior to the intended investment transaction; and
- Send duplicate notices and portfolio statements to Compliance.

An exemption to these requirements applies if and when conducting private investment transactions in exempted financial instruments, including the following categories:

- (Semi-) **Open-ended investment funds**;
- Financial products whose value movement depends (virtually) entirely on an official index in OECD-member countries;
- FX transactions; and
- Government bonds in OECD member-countries.

In consultation with Compliance other investments could be considered exempted as well.

Insiders that want to conduct private investment transactions can invest for one's own account or via a third party discretionary managed account. Please see section 3.2 and 3.3 for more information.

1.3. Principles

You are prohibited from trading in **financial instruments** when you possess information that could materially affect the price of these instruments.

The goal of this Policy is to clarify responsibilities of staff members and to protect them against misunderstandings. The PPIT is based on the following principles:

- Staff members should be aware of the contents of this Policy and must adhere to the rules of conduct when executing private investment transactions. It is not permitted to circumvent the PPIT via third parties (e.g. by encouraging or recommending another person to engage in a prohibited transaction);

- Staff members are prohibited from unauthorised disclosure of inside information and other sensitive/confidential information regarding NIBC or others to third parties or other staff members;
- Information may be used solely to perform the jobs appropriately;
- Any breach of this Policy may lead to employment sanctions and/or criminal sanctions;
- For a period of 6 months after termination of their employment contract or discharge of their position, staff members remain contractually required to act in accordance with the PPIT;
- Former staff members in possession of inside information are reminded that legal restrictions may continue to apply wherever and for as long as such information remains confidential, sensitive and/or unpublished.

You do not discuss NIBC related and client related issues with outside parties such as family, friends, business partners and clients, nor with colleagues unless you need to do so for work related reason.

1.4. Amendments

This policy is a revision of the previous version of this policy. NIBC reserves the right to amend this Policy from time to time if circumstances (e.g. changes to legislation and regulations or progressive insight) make this necessary. NIBC will follow the appropriate procedures for this and will notify its staff members immediately.

2. GENERAL RULES OF CONDUCT

The following general rules of conduct apply to all staff members of NIBC including the international offices (including temporary staff and Supervisory Board members):

- Staff members are prohibited from acting on the basis of inside information:
 - it is not permitted to effect (or try to effect) a private investment transaction, or encourage a third / affiliated party to do so, by using inside information;
 - exception to this rule are transactions in order to comply with an enforceable obligation which was already in existence at the moment at which the staff member obtained inside information (e.g. an expiring contract);
 - staff members are not allowed to effect transactions using knowledge obtained from an as yet unpublished analysis (including analysis compiled by/on behalf of NIBC);
 - staff members must avoid any appearance of acting on the basis of inside information or other sensitive information;
 - whether a transaction is effected, directly or indirectly, for personal account or for the account of a third party is not relevant.

(Internal and external) Staff members of NIBC, as well as Supervisory Board members have to keep inside information strictly secret and have to avoid (the appearance) of acting on the basis of inside information. After all, these issues relate to the integrity of each staff member and, as a result, NIBC as a whole.

- Staff members shall observe secrecy:
 - staff members who have access to inside information or other sensitive information are not permitted to disclose this information to other staff members or third parties;
 - exception to this rule is when disclosure is necessary for the proper performance of the staff member's duty or when he is under a statutory obligation to do so.

- Staff members must refrain from market manipulation, which is very widely defined.
 - For example, it is not permitted to effect or bring about transactions or trades in financial instruments:
 - a. where doing so would send out a false or misleading signal with regard to the supply of, demand for or the quotation of those financial instruments;
 - b. in which one or more persons cooperate to keep the quotation of the financial instrument at an abnormal or artificial level; or
 - c. in which illegitimate constructions or any form of deceit or deception are used.
 - it is not permitted to disseminate information that gives or is likely to give any false or misleading impression (signals) with regard to financial instruments, in any situation where a staff member knows or should have known that this information is false or misleading.

- Staff members shall exercise due care in handling information:
 - staff members shall exercise the utmost care in handling information to which they have access as a result of their job/position;
 - work related information must be kept separate from staff members' private life;
 - staff members must avoid (the semblance of) unnecessary involvement in a private capacity with NIBC's clients or other business relationships. There must never be any link between the investment transactions of the staff member and those of the client (other than transactions in NIBC products and NIBC related products);
 - a staff member may not use for his personal benefit any information advantage obtained as a result of his function/job or otherwise.

Our clients, business partners as well as NIBC as an employer must be able to count on the employee to treat the information entrusted to him/her with discretion. The employee must avoid any semblance of improper use of sensitive information and any conflicts of interests.

- Staff members shall exercise restraint in private investment transactions:
 - staff members shall refrain from **financial instruments transactions** that could be regarded as excessive or to a large extent **speculative**, for example in relation to their personal financial situation.

Staff members are not allowed to engage in excessive trading. Furthermore, a transaction must never place a staff member in (or at risk of) financial difficulties. Several criteria are relevant in this respect, amongst which the type of financial instruments (also in relation to the staff member's financial position and/or wealth), the timing of the transaction, the function of the staff member and NIBC's role in relation to the financial instruments.

- Staff members must observe reporting obligations:
 - staff members must report their knowledge of sensitive/ confidential information to Compliance, who will report this to the Engagement Committee (EC) or the Managing Board;
 - if requested by Compliance, the staff member needs to provide (directly or through his agent or asset manager) the relevant information regarding a private investment transaction effected by the staff member or on behalf of the staff member.

- Staff members must observe the following obligations in case of an issue of financial instruments:
 - staff members are not allowed to subscribe to an issue of financial instruments or a **stock exchange** introduction in which NIBC is involved in some way;
 - an exception is the situation where staff members wish to exercise a subscription right in respect of a (subscription) rights issue. In that case staff members are not permitted to sell shares obtained from such issues prior to the payment date.

- Staff members must refrain from front-running:
 - staff members are not allowed to perform private investment transactions in anticipation or on the basis of orders by clients or NIBC itself in the same fund.
- Staff members shall instruct affiliated parties (as defined in Appendix 1):
 - staff members must ensure that agents and asset managers (where they are affiliated parties) issue a written declaration form (usually stipulated within the third party discretionary management agreement) stating that they will abide by the rules applying for the staff member;
 - staff members must make efforts to ensure that other than the above-mentioned affiliated parties also act in accordance with the PPIT;
 - staff members must ensure that affiliated parties provide relevant information regarding private investment transaction at first request of Compliance.

3. INSIDERS: HOW TO CONDUCT INVESTMENT TRANSACTIONS

The following rules are applicable to all staff members of NIBC that are considered insider and want to conduct private investment transactions.

3.1. General

Insiders are defined as staff members who, because of their position or involvement in a project, can become privy to inside information regarding NIBC, its clients, business partners or others (See Appendix 1, Definitions).

Staff members considered insider need to adhere to the following supplementary rules when deciding to conduct private investment transactions. For an overview of who within NIBC is considered insider and who is not, please refer to appendix 2. In order to comply, insiders can choose to either make use of an own managed account or via discretionary management (see paragraphs 3.2 and 3.3).

When carrying out financial instrument transactions other than transactions in instruments as described in section 1.2, the staff member must adhere to the **holding period** of 30 calendar days applicable to each position. For certain staff members the Managing Board can set a different holding period.

3.2. Rules of conduct concerning investing for one's own account

Investing for one's own account includes investing in financial instruments on a discretionary or execution-only basis.

Insiders, with the exception of members of the Managing Board (see paragraph 3.5) are allowed to effect private investment transactions for their own account within the rules set in the preceding chapters. In addition, the following rules of conduct apply with regard to investing for one's own account:

- Compliance has to give permission for the use of the financial instruments account where the transactions take place, prior to its use. For this purpose the insider must notify the securities account to Compliance;
- The insider must ensure that duplicate notices and/or e-mail notices of execution of investment transactions, as well as bi-annual portfolio statements (baps) are sent without any intervention directly to Compliance;

- Prior to the transaction (including the closing of a position) the insider must consult the **Restricted List** using the **Pre-clearance Tool** to ensure that the fund is not restricted (see appendix 3). Note that pre-clearance is given for a maximum period of 24 hours, and must be renewed thereafter if required.

3.3. Rules of conduct concerning third party discretionary management

The management of financial instruments can be contracted out to a third party (being an agent, asset manager, securities institution or credit institution) by means of a third party discretionary management agreement. This agreement should be based on a strict separation between ownership and management of the portfolio and must comply with the terms of this paragraph. Under the agreement the third party is authorised to effect financial instruments transactions on behalf of the insider.

- The insider must notify Compliance of the existence of the third party discretionary management agreement and supply a copy of that agreement;
- The third party is a financially regulated securities or credit institution based in or operating from a jurisdiction where standards of regulation are equivalent to or comparable with those applicable in the EU;
- The management agreement is based on a strict separation of ownership and management of the portfolio;
- The management agreement stipulates that the asset manager:
 - must furnish Compliance with a summary of the insider's financial instruments portfolio once every six months;
 - at the first request of Compliance, must furnish the Compliance with further information concerning transactions effected on the basis of the management agreement;
- The insider must refrain from giving any instruction or indirectly influencing in any other way the decisions taken by the asset manager in respect of the management;
- Compliance is authorised to instruct the insider to make best efforts to have the management agreement amended;
- With an interval of minimal every six months, the insider is permitted to review the arrangements laid down when entering into the management agreement, for example with respect to the spread of risk and the distribution across different types of financial instruments. The insider must notify Compliance immediately of amendments to or cancellation of the agreement by sending a copy of the revised agreement to Compliance;
- The insider must not be a member of the executive body of the securities- or credit institution with which the management agreement has been signed.

3.4. Members of the Managing Board

Members of the Managing Board of NIBC are only allowed to effect private investment transactions:

- through third party discretionary management;
- in (semi-) open-end investment funds, financial products whose value movement depends (virtually) entirely on an official index in OECD-member countries, in FX transactions, hedge funds, private equity funds and other alternative assets;
- in government bonds in OECD member-countries;
- in NIBC products and NIBC related products.

For any person assuming a Managing Board position within NIBC, any securities they hold outside third party discretionary management may not be traded without the express permission of the Head of Compliance. Such permission will normally only be available in relation to the disposal of residual holdings, and new acquisitions of individual holdings in these circumstances will not be permitted outside a discretionary management agreement.

3.5. Supervisory Board Members

Supervisory Board members of NIBC have to abide by the Policy in the same way as all other insiders.

Supervisory Board Members residing outside the Netherlands have the following two options:

- To appoint an External Supervisor who will supervise the Supervisory Board Member's compliance with the regulations in the PPIT on behalf of Compliance (NIBC's approval is required). For this purpose the Supervisory Board Member must close a standard tripartite agreement with this external party and NIBC.
- Not to appoint an External Supervisor and therefore abide by the Policy in the same way as all other insiders, including Supervisory Board Members who are residents of the Netherlands.

Furthermore Foreign Supervisory Board Members are not obliged to the holding period of 30 days.

4. RULES REGARDING SPECIFIC TYPES OF TRANSACTIONS

4.1. NIBC products and NIBC related products

The following rules are applicable to all (temporary) staff members of NIBC as well as Supervisory Board members. All employees of NIBC are deemed insider regarding NIBC products and NIBC related products. The rules below are supplementary to those set out in the previous sections, except where stipulated otherwise.

The financial market and supervisory bodies are alert to private investment transactions by staff members in NIBC products and NIBC related products. Transactions in these instruments on the basis of inside information or with the existence of conflicts of interests may lead both to regulatory enforcement measures, adverse publicity, employment sanctions and/or criminal sanctions. The rules in this section apply, for instance,

- (i) when a client of NIBC or NIBC itself invites a staff member to invest in the NIBC product and
- (ii) when a party related to NIBC (e.g. a shareholder of NIBC or a party with whom NIBC has a business relationship) enables a staff member to invest in a NIBC related product.

In practice staff members will to a limited extent be allowed to invest in NIBC products and NIBC related products. Permission will be granted by the Managing Board under strict conditions.

The following supplementary rules of conduct apply with regard to transactions in NIBC products and NIBC related products:

- No transaction (which includes the closing of a position or divesting in a product) may be made in the event of inside information and/or conflicts of interest between the staff member, NIBC and/or the client, related or third party. In addition, the staff member must at all times:
 - avoid the appearance of (mis)use of inside information and/or conflicts of interest;
 - be clear vis-à-vis the client or related third party regarding the fact that the relevant transaction requires prior written approval from the MB;
- The MB may decide that an open and/or **closed period** is applicable for a certain product;
- All transactions in NIBC products and NIBC related products require prior written approval of the MB which has full discretionary powers to approve or disapprove the proposed transaction. Requests for approval must be submitted in writing and must include:
 - the name and the position of the staff member;

- evidence that the staff member is invited to invest in the NIBC product or the NIBC related product;
- a description of the contemplated transaction (e.g., name of client or related party, particulars of product, amount of funds involved) which enables the MB to assess all relevant aspects of the request, and;
- a statement that the staff member does not possess inside information and that there are no conflicts of interest;
- The MB may require the staff member to provide any additional information. The MB shall decide on the request as soon as practically possible. Once a decision has been taken by the MB, no further correspondence is possible and the staff member may not appeal the decision to any person or body within NIBC;
- The MB shall, among others and on a discretionary basis, take the following aspects into account:
 - whether there is any (semblance of) inside information and/or conflicts of interest (in general transactions are allowed within an **open period** for the product, if applicable, and/or outside a closed period);
 - whether the transaction is not inappropriate for the staff member given his financial means, risk appetite and investment experience (in general, the use of borrowed funds is not allowed);
 - the size of and the amount involved in the transaction;
 - whether the transaction can be deemed to be in the interest of NIBC;
 - the rights attached to the NIBC product or the NIBC related product (e.g., with respect to non-listed products the staff member may not have voting rights and the staff member may not hold rights or a position that could lead to conflicts of interest);
 - whether the staff member is in other ways involved with the NIBC product or the NIBC related product (e.g., as advisor); and
 - if applicable, (with respect to divestments) whether the relationship (1) between the client or the related party and NIBC or (2) between the client or the related party and the NIBC product or the NIBC related product, still exists (in general, the staff member may not disinvest before the client or the related party has disinvested);
- Any staff member who is a member of the MB shall not take part in the decision process on his own transaction(s) in NIBC products and/or NIBC related products. In that case the staff member will be heard by the MB, then asked to leave the specific MB meeting and later notified of the MB decision;
- The staff member has to report the actual transaction immediately to Compliance (in writing) after it is effected;
- If the employment of the staff member is terminated for whatever reason (other than as a result of retirement, pre-retirement or death of the staff member) the staff member is, when so requested by the MB, obliged to sell or otherwise dispose of the NIBC products or the NIBC related products during the first coming open period;
- In case of retirement or pre-retirement, the above rules will remain applicable to the (former) staff member;
- In case of death of the staff member, the heirs shall be bound by the above rules to the fullest extent allowed by law.

4.1.1. Primary and secondary insiders

NIBC is obliged by law to make a distinction between **primary** and **secondary insiders** with regard to inside information about NIBC and/or **NIBC financial instruments**. NIBC meets this requirement; however it does not make a distinction between the rules that are applicable to both types of insiders. The same stringent rules apply to all insiders of NIBC.

Compliance can decide in consultation with the Managing Board to qualify certain persons as primary insiders when knowledge of inside information or involvement in a price sensitive project or transaction gives reason to do so.

4.2. Hedge funds, private equity funds and other alternative assets

Hedge funds and private equity funds are designed as partnerships with the general partner, often a wealthy individual, being the fund manager. The fund manager usually makes the investment decisions, and has a portion of his wealth within the fund. Most hedge funds and private equity funds set high minimum investment amounts for investors.

Alternative assets are assets with potential economic value that would not be found in a standard investment portfolio. Alternative assets tend to be less liquid than traditional investments. Thus, investors who favor alternative assets will have to consider a very long investment horizon. To hedge funds and private equity funds venture capital-related projects and infrastructure could be alternative assets.

Insiders are allowed to effect financial instruments transactions in/with a hedge fund, a private equity fund or other alternative assets (hereinafter together referred to as private equity transactions). In addition to the preceding rules, the following rules of conduct are applicable:

- The insider must consult the Restricted List prior to effecting a private equity transactions in a listed fund;
- Insiders must report their private equity transactions in a listed fund to Compliance;
- The aforementioned rules are not applicable to private equity transactions in funds that are not listed themselves. However, in that case the insider must notify the Compliance immediately as soon as the fund has decided to issue listed financial instruments.

Investing in hedge funds, private equity funds and other alternative assets requires a high sense of responsibility of the insider. Any appearance of misuse of inside information and/or conflicts of interest with the activities of NIBC must be avoided at all times.

Compliance must be informed in case of doubt concerning whether a fund can be regarded as a hedge fund, a private equity fund or as other alternative assets or in case of any suggestion as to whether investing in the fund creates the appearance of misuse of inside information and/or conflicts of interest.

4.3. Derivatives

A derivative is a financial instrument of which the price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include, amongst others, stocks, bonds, commodities, currencies, interest rates and market indexes.

Trading in a derivative is allowed on the condition that the duration of the instrument exceeds the holding period of thirty calendar days and the underlying asset is not restricted. This is the case when execution triggers do not come into effect within thirty calendar days after the derivative was obtained by the staff member and, if applicable, the staff member does not trade in the underlying asset within the duration of the original holding period after obtaining it through the execution of the derivative.

Furthermore derivatives can be used for hedging and/or combined assets strategies. This can result in holding a 'short' derivatives position. The basic principle of being 'short' means there is a possibility of being assigned within the holding period which will result in a delivery obligation. That would constitute a breach of the general holding period principle.

An exemption to this holding period principle applies if, with the opening of the strategy:

- the derivative is clearly part of and/or related to a combined/hedged investment strategy;
- the spot price regarding the underlying asset exceeds or declines the strike price by five percent or more;
- the duration of the derivatives position exceeds the holding period with at least 180 calendar days or more.

4.4. Transactions under NIBC Choice programme

With regard to conducting transactions under the **NIBC Choice** programme, all staff members must adhere to the provision of NIBC Choice. The principles of this programme are available on Intranet.

5. OTHER PROVISIONS

5.1. Stop loss provisions

Insiders are allowed to apply stop loss facilities within their investment portfolio. In addition to the preceding rules, the following rules of conduct are applicable:

- The staff member is only allowed to install a stop loss facility after thirty calendar days of opening of the position;
- The staff member has to report the stop loss facility immediately to Compliance in writing after it is effected;
- The day of installing a stop loss facility is seen as the day approval was asked for the stop loss facility;
- When the respective fund is put on a Restricted and/or Grey List an execution towards the stop loss facility at any later date is not regarded as a breach of the PPIT; and
- If at any moment an adjustment towards an existing stop loss facility is sought, pre-clearance obligations apply in all cases. If the respective fund is at that moment restricted, any adjustment to the existing stop loss facility is not allowed.

For additional information staff members are requested to contact Compliance.

5.2. Investments received out of inheritance, donations and gifts by family etc.

If staff members are to be given control over investments out of inheritance, donations and gifts by family etc., the following rules of conduct are applicable:

- Upon receipt, the staff member is allowed to choose between the following options, being:
 - to sell the investment immediately after receipt, or
 - to add the investment to his/her existing investment portfolio or as a new investment portfolio
 - a combination of the two above optionsAll staff members that are appointed executor to an estate should contact Compliance for clarification of their responsibilities.
- If the staff member chooses to retain the investments, all preceding PPIT rules do apply.

For additional information staff members are requested to contact Compliance.

5.3. Investigations related to adherence of the PPIT

Compliance is authorised to carry out or commission an investigation at any time into private investment transactions performed by a (temporary) staff member (including Supervisory Board Members) or an asset manager. The investigation will assess whether the private transaction complies with the applicable rules, regulations and instructions (see appendix 4).

5.4. Breaches and sanctions in relation to the PPIT

Seemingly small breaches of this Policy may cause substantial losses for NIBC. As staff member, you are therefore required to abide by this Policy. If you disregard this Policy, you put NIBC's reputation at risk. For that reason any breach is taken very seriously.

Non-compliance with (parts of) this procedure may be sanctioned in accordance with existing sanctioning procedure. In addition, specific sanctions are in place when violating the principles of the PPIT (see appendix 5).

If Compliance staff effects private investment transactions themselves, supervisory measures will be taken to ensure an independent check and independent reporting on compliance with the PPIT is in place.

5.5. Exceptions

The Head of Compliance has the possibility to deviate from the preceding provisions for staff members of NIBC. In case of a significant deviation from the provisions a request has to be made to the Managing Board.

In any given situation where a ruling, interpretation or exception needs to be made, the MB is the body tasked with fair and consistent application of these policies, having regard first and foremost to the interests of NIBC, its clients and stakeholders, and any relevant laws and regulatory requirements. Its decisions regarding these policies, once all relevant factors and considerations have been taken into account, are to be taken as final, with no right of appeal.

Appendix 1 Terms and definitions

- affiliated party**
- a. Spouses, registered partners or life partners of, or other persons cohabitating in a similar way with a staff member;
 - b. Children of a staff member, including persons who fall under his authority or who are under legal restraint and for whom a staff member was appointed as guardian;
 - c. Parents, grandparents, grandchildren, brothers and sisters of a staff member;
 - d. Other relatives related by blood or otherwise of a staff member, who have on the Transaction Date shared a joint household with him for at least one year;
 - e. Legal entities, trusts as referred to in Section 1 under c of the Act on the Supervision of Trust Offices (Wet toezicht trustkantoren) or partnerships:
 - whose executive responsibility is vested in a staff member, or in a person as referred to in a to d;
 - which is controlled by a staff member;
 - which has been created for his benefit;
 - or the economic interests of which are essentially equivalent to those of him.
 - f. Agents, asset managers, security institutions or credit institutions that perform activities on behalf of insiders as result of written contractual obligations (primarily under third party discretionary management)
- closed period**
- A period in which staff members of NIBC are not allowed to effect transactions in NIBC products or NIBC related products. The period covers:
- the period prior to and following on an open period;
 - 1 month prior to the first publication or a prospectus for an issuing of shares, unless the period of decision making is shorter than 1 month, in which case this shorter period should be considered; as well as
 - any other period of which the staff members will be notified in writing by the Head BU Group Compliance;
 - any other period of which the staff members will be notified in writing by the Supervisory Board;
 - any other period of which the staff members will be notified in writing by the Managing Board;
 - any other period of which the staff members will be notified in writing by the MB.
- conflicts of interest**
- Conflicts of interest occur on many levels within NIBC. In the context of this policy a staff member may be perceived as having conflicts of interest (or being 'conflicted') where he is engaged in two roles and the interests of the second role (e.g. private interests) prevail over the interests that belong with the initial role from which decisions are made and actions are conducted.

financial instruments	<ul style="list-style-type: none"> - Transferable shares and similar rights; - Transferable bonds or other transferable debt instruments; - Other transferable rights issued by companies by which the above-mentioned instruments can be obtained or that can be settled in cash; - Rights of participation in an investment company; - Money market instruments, futures, interest term contracts and interest, currency or share swaps; - Option certificates by which the abovementioned instruments can be obtained or that can be settled in cash.
financial instruments transaction	A financial instruments transaction may take a number of forms, including the purchase or sale of a financial instrument, or the donation and acceptance as a donation of financial instruments, the buying or writing of financial instruments options, the exercise of options and the conversion of convertible bonds etc.
holding period	A period of time in which an opened financial instruments position has to be kept before closing this financial instruments position.
inside information	(Knowledge of) facts or circumstances concerning a legal entity to which the financial instruments relate or concerning trading in these financial instruments that has not been made public and disclosure of which can reasonably be expected to significantly influence the price of the financial instruments, irrespective of the direction of the price movement.
insider	Insiders are defined as staff members that because of their position or involvement in a project can become privy to inside information regarding NIBC, its clients, business partners or others.
private investment transaction	<p>A transaction in a financial instrument, a transaction in NIBC products and/or NIBC related products, as well as the participation in a (form of) cooperation or other (investment) transaction e.g. exchange traded commodities or exchange traded precious metals.</p> <p>This includes effecting, causing to be effected or realising any transaction, other than in the performance of the staff member's function or position, directly or indirectly for the staff member's own account or partly for the staff member's own account or on behalf of a third party.</p>
NIBC	<p>NIBC Holding N.V. including the international offices as well as all domestic and foreign participating interests in which it has an (equity or voting) interest of at least 50% (among others NIBC Bank N.V.).</p> <p>Within this definition the (consolidated) participations, being non-financial institution participations, are excluded.</p>
NIBC Choice	The programme by which staff members are encouraged to become shareholder in NIBC.
NIBC products	Financial products, not being NIBC shares or NIBC derivatives, which are issued or originated by NIBC.

NIBC related products	Financial products that are issued or originated by parties that are related to NIBC (such as NIBC shareholders or parties with whom NIBC is cooperating).
NIBC financial instruments	Financial instruments issued by NIBC or with regard to NIBC.
open-end investment fund	Fund that raises money from participants and invests it in a group of assets, in accordance with a stated set of objectives. Participants are free to sell their participation rights at any time, although the price of a participation right in an open-end fund will fluctuate daily. An insider is not permitted to hold a management position in the fund, its custodian or its manager.
open period	A period in which staff members of NIBC are allowed to effect transaction in NIBC products or NIBC related products. The period covers a term of 21 calendar days after the day of the publication of the annual account, the semi annual or quarterly results or the announcement of an (interim-) dividend.
Pre-clearance Tool	An application containing the Restricted List. This application makes it possible to ascertain electronically whether trading in a particular stock is permitted. Pre-clearance is given for a maximum period of 24 hours.
primary insider	The members of the Managing Board and the Supervisory Board Members.
qualified shareholder	A private person or company holding shares or voting rights of more than 10% of a company.
Restricted List	List that is compiled within NIBC and that is updated on a regular basis by Compliance. The list mentions the funds of which at any time (price sensitive) information has become available that the market does not have access to. When a fund is mentioned on the list, insiders are not allowed to buy or sell any financial instruments of this fund.
secondary insider	Insiders that do not qualify as primary insiders.
speculative trading	In assessing whether a transaction can be regarded as speculative, the following aspects are taken into account: <ul style="list-style-type: none">- the nature and size of the transaction in the financial instrument;- the ensuing obligations;- the influence on the composition and size of the portfolio;- the investment experience of the staff member.
staff member	All staff members of NIBC including the international offices (including temporary employees as well as Supervisory Board members) unless the context or the regulations in PPIT show otherwise.
stock exchange	Euronext N.V. or other authorised exchanges as well as any other similar exchanges outside the Netherlands.

Appendix 2 Insiders

Within NIBC, data related to this Policy are kept in the following manners:

- Each new staff member signs a form during the induction meeting in which they confirm to have (or not to have) an investment account.
- My Compliance Overview stores for each insider the relevant information on the staff member's investment account and if it concerns a third party discretionary management agreement.
- Staff members are required to update My Compliance Overview on a yearly basis.
- The pre-clearance tool stores information on the date and time that a staff member consulted the tool to check if a specific financial instrument can be traded or not.
- Several systems keep the names of the staff members that are involved in a specific transaction (e.g. SPP, the EC Excel overview).
- Physical files with the portfolio statements and transaction overviews of staff member's investment accounts are stored in the safe.

All notifications that are made to Compliance with regard to this Policy, requests/ commissions that are made to Compliance to make a notification and requests for exemption as well as the granted exemptions (when requested) are kept by Compliance.

Certain staff members of NIBC are deemed non-insider. These staff members are the following:

- all Human Resources employees (except the Head of HR);
- all Facilities & Services employees (except the Head of F&S, all Managing Board chauffeurs and employees of the Repro desk);
- all ICT employees (except the Head of ICT); and
- All employees of SBU Consumer Banking (being Retail Markets) – with the exception of employees that fulfil an Integrity Sensitive Position (ISP).

Please note that all staff members that fulfil a role in NIBC's Employees Council or NIBC's Pension fund or any of its committees are considered insider as well, irrelevant of their position within the bank.

All staff members in the international offices are considered insider unless Compliance deems otherwise.

A distinction is made between primary insiders and secondary insiders. All NIBC Managing Board members and Supervisory Board members are deemed primary insider. All other NIBC insiders are deemed secondary insider.

The data registered by NIBC can be reported to the Netherlands Authority for the Financial Markets ("AFM") and other supervisors if applicable, when this is necessary in order to comply with legal obligations or a considerable interest of NIBC requires this. The physical files in the safe are removed five years after the staff member left NIBC.

Compliance will immediately make alterations to the stored information when the reason for registering a staff member changes, when a new staff member needs to be entered in the database or when the access to inside information with regard to a staff member changes.

Staff members have the right to look into their personal data that is kept by Compliance. Staff members of whom the data are registered in the database have the right to have data added, removed or covered if data is incorrect or irrelevant. The Policy Data Protection will apply.

Appendix 3 Restricted List / Grey List

Introduction

A Restricted List and/ Grey List are drawn up within NIBC and are updated daily, if necessary, by Compliance. The Restricted List contains names of companies/stocks (financial instruments) about which (price-sensitive)/ confidential information has or could become known at any given moment which is not (yet) available to the market. In principle also all existing clients that are listed on a stock exchange are mentioned on the restricted list. If a fund occurs on the Restricted List, insiders are explicitly forbidden to purchase or sell any financial instrument in the fund. Placing funds on the Restricted List prevents insider trading and counters the suspicion thereof because it is forbidden to trade in a fund that is on the Restricted List.

The Grey List contains names of companies that NIBC is not allowed to trade in itself. SBUs that want to engage with a company mentioned on the Grey List should ask prior approval to the EC.

Placing and removal of funds on the Restricted List

As soon as information becomes available within NIBC with regard to a fund listed on a stock exchange and this information can be regarded as (possible) inside information which the market does not have access to, that fund will immediately be placed on the Restricted List by the secretary of the Engagement Committee.

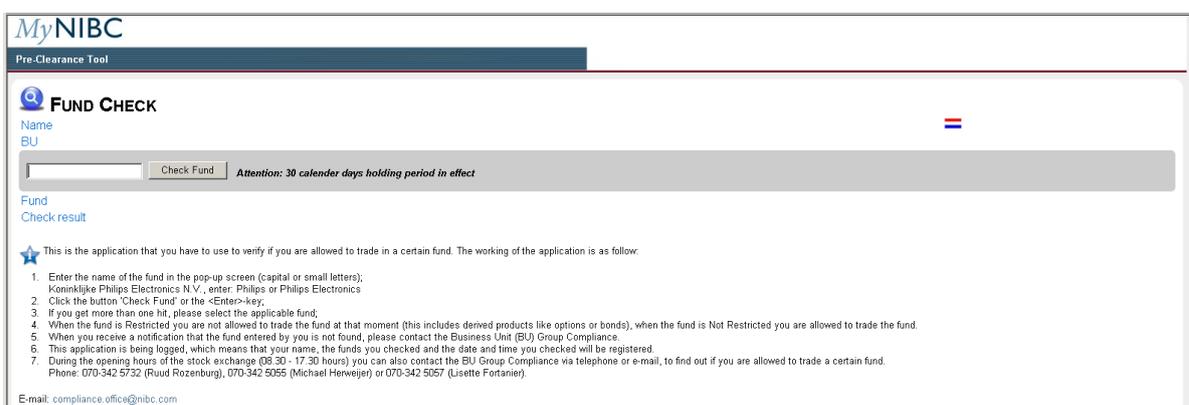
The stock remains on the Restricted List for as long as the information obtained is price-sensitive/ confidential. Insiders who already have a position in the stock in question are not allowed to trade in that stock. They must not effect any buy or sell transactions in that stock as long as it remains on the Restricted List.

If the service provided by NIBC ends and/or the deal is closed by NIBC but the (price-sensitive)/ confidential information is not made available to the public domain, these stocks are only removed from the Restricted List six months after the ending of the service and/or closing of the deal.

Pre-clearance Tool

As stated above, all insiders must consult the Restricted List before executing a financial instruments transaction (either buy or sell). The Restricted List is consulted using the Pre-clearance Tool, which is available through the applications page on Intranet. If clearance is given by the Tool it is valid for 24 hours.

After filling in the name of the fund in the Fund Checker within the Pre-clearance Tool, and clicking check fund, within seconds a message will appear telling you whether or not you may trade in any financial instrument of the company in question. The time and day the tool was consulted and the search result will be recorded by the tool. Compliance will use this information to verify the prior approval.



MyNIBC
Pre-Clearance Tool

FUND CHECK

Name =
BU

Attention: 30 calendar days holding period in effect

Fund
[Check result](#)

★ This is the application that you have to use to verify if you are allowed to trade in a certain fund. The working of the application is as follows:

1. Enter the name of the fund in the pop-up screen (capital or small letters); Koninklijke Philips Electronics N.V., enter: Philips or Philips Electronics
2. Click the button "Check Fund" or the <Enter>-key;
3. If you get more than one hit, please select the applicable fund;
4. When the fund is Restricted you are not allowed to trade the fund at that moment (this includes derived products like options or bonds), when the fund is Not Restricted you are allowed to trade the fund.
5. When you receive a notification that the fund entered by you is not found, please contact the Business Unit (BU) Group Compliance.
6. This application is being logged, which means that your name, the funds you checked and the date and time you checked will be registered.
7. During the opening hours of the stock exchange (09:30 - 17:30 hours) you can also contact the BU Group Compliance via telephone or e-mail, to find out if you are allowed to trade a certain fund.
Phone: 070-342 5732 (Ruud Rozenburg), 070-342 5055 (Michael Herwejer) or 070-342 5057 (Lisette Fortanier)

E-mail: compliance.office@nibc.com

Closing a position (application of restricted list)

Where in the view of Compliance a given fund is likely to remain on the Restricted List for an extended period (at least one calendar year), an opportunity to close the position in the fund will in principle be given twice a year. In both cases this will occur within five working days following the publication of the interim and year-end figures. On request, permission for this will be given Compliance each half-year for each individual stock, and communicated to the respective staff member concerned five working days before publication of the figures. It is not allowed at all times to open or increase a position in the fund in question during these five working days.

The Head of Compliance has the power not to apply the above rule. This decision will be taken following consultation with the Engagement Committee.

Grey List

The Grey List is compiled of (listed) companies with which a SBU is engaged in a transaction or is having exposure on, resulting in such sensitive pre-knowledge that it is not explainable to the outside world that another SBU of NIBC is also engaging with that company, in spite of having implemented internal structuring measures like 'Chinese walls'. This mainly relates to the specific acquiring / building a position by another SBU / department of NIBC in a financial instrument, listed on a public stock exchange, on which the performance of the exchange rate is directly related to the performance of the listed company.

It is not allowed to trade in these financial instruments by other SBUs / departments / the NIBC Pension Fund. All companies mentioned on the Grey List are in principle also mentioned on the Restricted List. Other activities concerning the listed company are still possible like for instance the closing of an arrangement-mandate with the company by Consumer Banking (see also Policy Engagement Committee for further information).

Appendix 4 Investigations in relation to the adherence of the PPIT

The Head of Compliance is authorised to report to the Chairman of the Managing Board and the Vice-Chairman of the Managing Board in writing concerning the outcome of a possible investigation. Before doing so, the staff member must have had an opportunity to respond to the outcome of the investigation. The staff member will be notified by the Chairman of the Managing Board of any sanction to be imposed.

In case the investigation relates to the Chairman of the Managing Board, the report is sent to the Chairman of the Supervisory Board, after the Chairman of the Managing Board has been offered an opportunity to respond. The Chairman of the Supervisory Board will notify the Chairman of the Managing Board of the outcome of the investigation and of any sanction to be imposed.

Appendix 5 Breaches and sanctions in relation to the PPIT

The following applies for breaches with the PPIT:

- in case of a concrete suspicion of acting on the basis of inside information or conflicts of interest the staff member may be suspended during an investigation;
- amongst others, a concrete suspicion of acting on the basis of inside information or conflicts of interest is considered to be present in any event when:
 - a staff member is assumed to have knowledge of price sensitive information in relation to an effected private investment transaction;
 - the staff member violates the rules of conduct when effecting a transaction in NIBC products and NIBC related products;
- acting on the basis of inside information or conflicts of interest may lead to dismissal or discharge from one's position. In that case the Head of Compliance or a member of the Managing Board will report this matter to the Dutch Central Bank ("DNB") and the AFM;
- Compliance will keep a record of violations. Violations can be reported to the DNB and/or the local regulatory authorities within the International offices of NIBC;
- transactions executed in contravention with the provisions of the PPIT must be reversed. Any profits from the reversed transactions are to be donated to a charitable institution;
- (recurrent) breach of the PPIT may result in disciplinary action including contract termination.

Appendix 6 Temporary staff

With regard to temporary staff members, the following principles apply when conducting private investment transactions. There are two categories of temporary staff distinguished:

- Temporary staff for whom the PPIT policy is applicable
- Temporary staff for whom the PPIT policy is not applicable

Temporary staff - PPIT applicable

This category includes staff from temporary staffing agencies and (other) external staff that will be working in teams that are considered insider. It also includes consultants who, due to the tasks assigned, could have access to price-sensitive information. The employment period is irrelevant in this respect.

When these temporary staff members trade in securities in a personal capacity, they will have to comply with the provisions of the Policy on Private Investment Transactions. This means that duplicate notes of their conducted securities transactions must be sent directly to Compliance by the relevant institution. If they fail to meet this obligation due to the fact that the timeframe to arrange this is too short, they should contact Compliance. Generally accepted is the fact that temporary staff, employed for less than 6 months, are allowed to send self-made copies of transactions as well as the bi-annual portfolio statements (baps) as at 30 June or 31 December to Compliance.

Temporary staff – PPIT not applicable

This category includes staff from temporary staffing agencies and (other) external staff that will be working in teams that are not considered insider. It also includes external staff who perform other services for NIBC such as cleaners, painters, fitters, contractors and consultants that don't have access to price-sensitive information. These staff members are required to sign a Confidentiality Agreement.

Monitoring

Temporary staff that is registered in STARS is informed by Compliance about the Compliance Framework during an induction meeting. The monitoring of compliance with the Policies is fully comparable with the monitoring of internal staff. For example if temporary external staff trades in securities, Compliance checks these transactions with the scope of its policy.

Appendix 7 Frequently asked questions

These Frequently Asked Questions are intended to highlight the most important aspects of the PPIT.

If this Policy is applicable to you we urgently advise you to also read the full text of the PPIT.

If you have any questions do not hesitate to contact Compliance or send your question to compliance.office@nibc.com.

Is the PPIT applicable to me?

The PPIT applies to all staff members of NIBC. This includes staff in our international offices, our Supervisory Board Members and temporary staff members.

What is an insider?

Insiders are staff members that because of their position or involvement in a project can become privy to inside information regarding NIBC, its clients, business partners or others.

What are the main rules of the PPIT?

- 1) We do not trade in a financial instrument (e.g. securities, options and derivatives) when we possess information that could affect its price (being inside information).
- 2) We only discuss sensitive information with people that need to know this information for work related reasons.
- 3) We do not use work related information for our personal benefit.

Can I invest in NIBC products and NIBC related products?

In practice all staff members will to a limited extent be allowed to invest in NIBC products and NIBC related products. Permission will be granted by the MB under certain conditions. The following obligations are applicable to all employees of NIBC (insiders and non-insiders):

- written approval of the MB must be obtained before you can trade;
- in case the MB has enforced open periods, trading is only allowed within these periods;
- in case the MB has enforced exit conditions, divesting is only allowed in line with these conditions;
- you must supply a copy of each transaction to Compliance.

Can I invest in hedge funds, private equity and other alternative assets?

This is allowed. However investing in hedge funds, private equity funds and other alternative assets requires a high sense of responsibility of the staff member. Semblance of the use of inside information and conflicts of interest with the activities of NIBC must be avoided at all time. Furthermore insiders must consult the Restricted List with regard to transactions in listed private equity funds, hedge funds or other alternative assets and must report these transactions to Compliance.

What ways can I invest in listed securities?

- Staff members can invest in listed securities on their own account.
- Members of the Managing Board are not allowed to invest in listed funds on their own account, but must use third party discretionary management for this purpose.
- Insiders must meet specific obligations, which are not applicable to non-insiders:
 - approval of Compliance must be obtained before a staff member can use a securities account;
 - the pre-clearance tool must be consulted prior to trading (note pre-clearance given is valid for 24 hours);
 - insiders must ensure that duplicate notices of transactions are directly sent to Compliance;
 - insiders must ensure that bi-annual statements are directly sent to Compliance.

- Please bear in mind that these obligations are also applicable to (i) investments on behalf of an affiliated party, (ii) financial instruments accounts of your minor children and (iii) joint accounts.

Can I hire an asset manager?

Staff members may entrust their investments to an asset manager via a third party discretionary management agreement. The following specific obligations must be met:

- a copy of the agreement must be provided to Compliance;
- the agreement must contain specific conditions.

Do I have to report all my private investment transactions?

No, you do not have to report your transactions in (semi)open end investment funds, financial products whose value movement depend (virtually) entirely on an official index in OECD-member countries, FX transactions and in OECD government bonds and sometimes private equity, hedge fund and alternative assets transactions (see above).

When and what do I need to report?

- Insiders must:
 - notify their financial instruments account(s) to Compliance prior to use;
 - ensure that duplicate notices of transactions are directly sent to Compliance;
 - ensure that bi-annual statements are directly sent to Compliance.
- In case of third party discretionary management:
 - the asset manager is responsible for the above mentioned notifications as soon as the insider has provided Compliance with a copy of the agreement.
- Furthermore insiders must:
 - report their private equity transactions to Compliance promptly after execution;
 - unless these transactions are exempted (see above).
- All staff members must:
 - ask permission of the MB prior to trading in NIBC products and NIBC related products;
 - notify the actual transaction to Compliance promptly after execution.